

Exhibit C

Michigan Petroleum Shortage Response Plan



Michigan Public Service Commission
Department of Licensing and Regulatory Affairs
August 2013

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Introduction

In response to the price and supply volatility caused by the Arab Oil Embargo of 1973, the Iranian revolution in 1979, and the deregulation of U.S. oil prices in 1981, the Energy Administration (which was later merged with the Michigan Public Service Commission), in conjunction with the Michigan Department of Transportation (MDOT) developed a Michigan Gasoline Shortage Response Plan. The plan, published in 1980 and updated in 1981, presented a series of options that could be considered if Michigan was faced with a serious gasoline shortage. These options contain measures designed both to manage limited supplies and to reduce overall demand.

The Michigan Public Service Commission (MPSC) along with representatives from the Michigan Departments of Transportation, Agriculture, State Police, and Technology, Management & Budget has been working to update this plan. The result of these efforts is the Petroleum Shortage Response Plan, a comprehensive set of demand and supply management measures which could be used in the event of a fuel disruption/shortage or a declared energy emergency.

The plan has also been expanded to include diesel, propane, and heating oil, and updated to better adapt to modern driving habits and conditions. The major changes to the response measures contained in the original plans involve the elimination of measures which were determined to be ineffective and/or obsolete due to societal, legal or technological changes. Other measures were consolidated to eliminate redundancy and to reflect the growth of programs which were relatively new at the drafting of the original plan (i.e., Carpooling, Vanpooling, and Flex-Time Scheduling Programs). Seven measures were removed entirely, including:

- Preferred Parking for State Employee Carpools,
- Reduction of Speed Limit,
- Extended Purchase Plan,
- Staggered Days of Operation,
- Switching Traffic Signals to Flashing Yellow,
- Tourist Gasoline Availability Program, and
- Use School Buses for Public Transportation.

The resulting plan contains a concise representation of shortage response measures which have been edited and reviewed by representatives of five state departments. In the event of a serious fuel shortage/supply disruption or a declared energy emergency, these measures will represent a list of reasonable and effective response options to mitigate the effects on the public and to help stabilize the situation. These measures can also be found in the Michigan Energy Assurance Plan as Appendix H.

Michigan Petroleum System Overview

Michigan relies on petroleum products (gasoline, diesel, propane) to meet nearly one-third of its energy needs. Both gasoline and diesel fuels are used predominately on highways, with only small amounts used for other purposes. The single largest use of gasoline is for commuting to and from work. It is estimated that 83 percent of drivers commute alone and less than 10 percent decide to carpool. Although gasoline demand has been on the decline in Michigan for almost ten years, residents drove an average of 267 million miles per day in 2010 with a per capita motor fuel use of 544 gallons per year. This per capita usage is slightly less than that of neighboring states like Ohio, Indiana and Wisconsin, but greater than Illinois. Diesel fuel is also an extremely important transportation fuel with 991 million gallons consumed in 2011, primarily by highway truck travel.

In addition to transportation, fuel availability for space heating is critical due to the State's often severe and prolonged winters. In areas where natural gas pipelines are unavailable, heating oil or propane is the predominate fuel. Heating oil maintains a relatively small portion of the market share at less than one percent, while propane has a significant market share with about 9 percent of residential households using it as their primary heating according to the U.S. Census Bureau. This is the highest residential propane usage of any state in the country.

As result of this significant petroleum demand, it is important that the State maintain an adequate and reliable supply of crude oil and petroleum products. Michigan's petroleum supply is somewhat diversified with large amounts of crude oil imported from Canada and the Gulf Coast supplemented by some minor in-state production. Crude oil and refined petroleum products (i.e., gasoline, diesel, kerosene, etc.) are primarily transported by pipelines due to the increased safety and cost effectiveness. Once the crude oil has been refined, several petroleum product pipelines are used to transport the product to Michigan's Lower Peninsula markets. The Wolverine and BP Amoco pipelines run from Chicago area refineries to the Detroit area. In addition, the Buckeye system runs north into Michigan from refineries in Toledo and other parts of Ohio. These pipelines serve high population regions in Southeastern and Central Lower Michigan (See map on page 4).

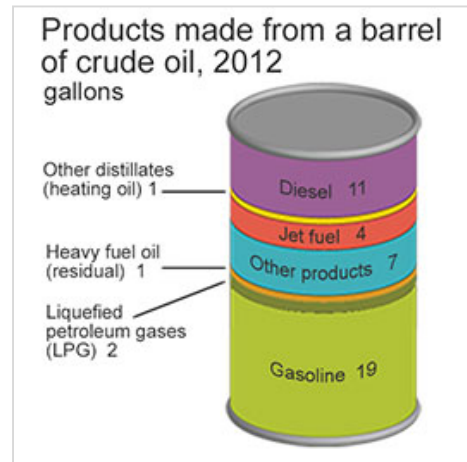
Name	Company	City	State	Capacity (bbls/day)
Marathon	Marathon Petroleum Co LLC	Detroit	Michigan	120,000
BP-Huskey	BP-Huskey Refining LLC	Oregon	Ohio	160,000
Sunoco	Sunoco Inc.	Toledo	Ohio	140,000
BP Whiting	BP-Products North America	Whiting	Indiana	413,000
Exxon Joliet	Exxon Mobil Corp.	Joliet	Illinois	250,000
Citgo Lemont	Citgo Petroleum Corp.	Lemont	Illinois	167,000

Michigan's only refinery is located in Detroit, owned and operated by Marathon Petroleum Company LP. The refinery was recently upgraded to increase capacity and to allow it to

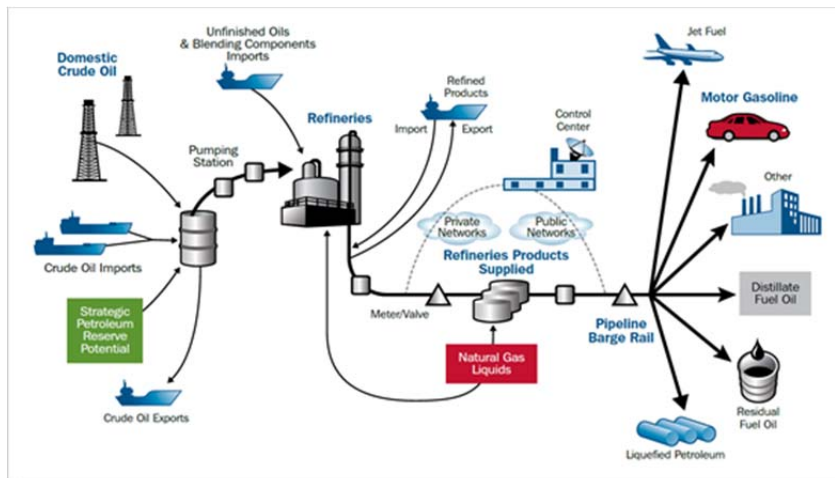
process heavier and less expensive crude oil imported from Canada via the Enbridge Pipeline system. It has the capacity to process 120,000 barrels of crude oil per day which is equivalent to roughly 18 percent of the State's daily petroleum consumption. Thus, the majority of the refined petroleum products used in Michigan are produced at refineries elsewhere, such as Ohio, Indiana and Illinois.

Of the crude oil refined by the Marathon Refinery, approximately 50 percent of the output is gasoline, 28 percent diesel, and a small percentage is propane. A 42-U.S. gallon barrel of crude oil provides about 45 gallons of petroleum products including: gasoline, diesel, jet fuel, propane and other products.

After shipment through pipelines to local bulk storage terminals, gasoline and other petroleum products are typically held in bulk containers that service many companies. Products are then loaded into tanker trucks destined for wholesale or retail outlets. The tanker trucks, which can typically hold up to 10,000 gallons, usually have several compartments enabling them to transport different grades of gasoline or petroleum products. In 2013, there were 4,722 gasoline fueling stations in the State of Michigan.



In contrast to liquid petroleum fuels, propane may be sourced from natural gas processing as well as from refinery operations. The propane is then transported predominately via rail or pipeline and stored in underground caverns or large above-ground tank farms. It is then transported by truck to end users. These tank trucks, called "bobtails," deliver propane to large storage tanks that are outside homes. The average residential propane tank holds about 500 gallons of liquid fuel, and is refilled multiple times a year.



effective response. In recent years, the trend has been toward a "just-in-time" approach to motor fuel inventories, so relying on available back-up supplies is usually not an option. Severe damage to pipelines or refineries could lead to shortages within days and could trigger one or more of the voluntary or mandatory measures described in the following plan.